

Sub: Purchase and Stores Procedures Manual

This is in continuation of IOM No.ADM/S&P/94 of 05.07.1994 promulgating the purchase and stores guidelines and Office Order No.D/94 dated 06.07.1994 and D/FC-27/98 dated 01.04.1998 regarding constitution of the Standing Committee to document the practices with improvements.

The following will be broad purchase and stores procedures to be followed by the sections/departments with immediate effects.

- A) All sections/departments which operate different budget heads must obtain administrative approval for their requirements (one time requirement, monthly requirement, six monthly requirement and all other requirements on special occasions) as follows:

Care should be taken by the concerned units/sections/department to see that a minimum of two to three months lead time is provided for procurement of the items, after observing all procedures. Hence they should plan their requirements well in advance and initiate action accordingly.

- a) All types of consumable items:

- i) In respect of departments/sections/units under the control of COE (Programme, Course Material, Faculty Secretariat, Projects, Academic, Hostels, Laboratories, Audio Visual, Computer Centre, Library, CPSC, Publications, Placement, Public Relations, NAA, Booking Cell, DCA, Director's office, Xerox Wing). ~~Administrative approval through COE and Registrar from Director or Officer as per delegation of powers.~~
- ii) In respect of departments/sections/units under the direct control of Registrar (Estate, Accounts, Audit, Administration, Hindi Cell Telephones, Telex, Stores, B&M, Legal, S&T, Land, Dispensary and matters not covered in all above). Administrative approval through Registrar, from Director or Officer as per delegation of powers.

- b) All types of capital items from Director through COE and Registrar/Registrar as the case may be.

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### B) Kind of Tenders

- i) Advertised Tender Enquiry or Open Tender
- ii) Limited Tender Enquiry
- iii) Single Tender-Enquiry

#### Open Tender (Advertised Tender Enquiry)

- Estimated value of the goods is Rs.25 Lakhs (Rupees Twenty Five Lakhs) and above - by public advertisement in National Dailies and in the Indian Trade Journal.

#### Limited Tender Enquiry

- This method may be adopted when estimated value of the goods to be procured is upto Rs.25 Lakhs (Rupees Twenty Five Lakhs) Tenders to be issued as per the list of approved Contractors/Venders (more than three) including past suppliers.

#### Single Tenders -

- i) In case of articles of proprietary nature i.e. when there is no competition and one firm only manufacture the stores demanded. In a case of emergency, the required goods are necessarily to be purchased from a particular source and the reason for such decision to be recorded and approval of competent authority obtained.
- ii) For standardization of machinery or spare parts to be compatible to existing sets of equipment, the required item is to be purchased only from a selected firm.
- iii) Necessary "Proprietary Articles Certificate" to be provided before procuring the goods from a single source.

#### Quotations -

- a) Purchase of articles upto Rs.15,000/- on each occasion can be made without inviting quotations.
- b) Purchase between Rs.15,001/- to Rs.1,00,000/- can be made on each occasion by the Purchase Committee without calling tenders or pre-select.

#### Purchase Committee

Purchase Committee consisting of three members of an appropriate level as decided by the Head of the Department can be constituted for purchase of goods valued over Rs.15,000/- to 1,00,000/-.

The Committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of purchase order, the members of the Committee will jointly record a certificate.

"Certified that we ....., members of the Purchase Committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question."

#### C) Maintenance of Vendors Registers

The officers to whom purchasing activities have been entrusted in accordance with the purchase and stores guidelines, will maintain appropriate and separate approved vendors registers (subjectwise like civil, electrical, plumbing, stationery, capital items, miscellaneous items, etc.), which should be updated from time to time. Any direction given by the Standing Committee or any other empowered authority of the Institute and approved from time to time in this regard will be adhered to.

#### D) Floating Enquiries

- i) The concerned officers entrusted with the purchase activities of the Institute will float enquiries in the prescribed enquiry form based on the administrative approval.
- ii) Institute will prepare and maintain item-wise lists of eligible and capable suppliers. The difficulty of expanding the vendor list in the above case should be endorsed by studying further. On an average the list should consist of 15 approved vendors. Efforts should also be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis. Vendor Registration form is enclosed for use.
- iii) Where there is a doubt, guidance from the Standing Committee and Registrar/Director may be obtained.
- iv) Enquiries may be sent under Courier Post or Speed Post/UCP, as the case may be and a receipt of delivery may be taken. In order to reduce lead time for obtaining quotations, enquiries may also be sent by fax/e-mail. While sending enquiries the suppliers be advised to indicate the enquiry number and date on the cover of their quotations. Separate registers be maintained by the purchasing



unit wherein all inquiries are to be listed along with the evidence of dispatch such as postal receipt, courier's receipt and fax counterfoil etc.

- v) For articles where administrative approval is for an amount of more than Rs.25 Lakhs (for minor works Rs.10 Lakhs) in addition to item i, ii, iii, and iv, newspaper advertisement as per procedures may be given with consolidation of various items of procurements for cost effectiveness. In order to save cost of advertisement enough items may be planned in advance and consolidated for advertisement quickly without affecting the workflow of the Institute. Director will however decide whether limited tender/public tender is to be invited on case to case basis for items i, ii, iii, and iv also.
- vi) The organization should post the complete bidding document in its website and permit prospective bidders to make use of the document downloaded from the website.
- vii) Minimum time for bid to be allowed in three to four weeks.
- viii) The registered supplier(s) are liable to be removed from the list of approved suppliers if they fail to abide by the terms and conditions of the registration or fail to supply the goods on time or supply sub-standard goods or make any false declaration to any Government agency or for any ground which, in the opinion of the Institute, is not in public interest.
- ix) The concerned officers authorised to send enquiries must ensure that a copy of the enquiry alongwith the copy of the administrative approval is sent to the Section Head of Common Purchase Service Cell (SH - CPSC) immediately after despatching the enquiries.

**E) Receipt of Quotations**

- i) All quotations received by the Institute - Director's Office, any officers directly delegated with purchasing activities as detailed in the guidelines, CPSC, etc. must be dropped in the quotations box fixed near the COE/CPSC office. This box will be opened at 10.30am in the presence of Standing Committee Members, normally on the last working day of every week in the manner detailed in the guidelines.
- ii) SH - CPSC will sort out these quotations, based on the enquiry reference number and date copies of which must be received by him from the concerned officers who have floated the enquiries.



- iii) After the due date is over, these quotations along with the copy of the enquiry and administrative approval be placed before the Standing Committee for further necessary action by the SH - CPSC.
- iv) Open Tenders are to be opened by the Authorised Officers at the advertised time and place in the presence of tenderers or their authorized agents. After the tenders have been opened no revision or abatement of any tender to be permitted. When the tenders are under examination, no other authorities are to be allowed to make queries or call for reports, etc.

F) Spot Quotations, Emergency Purchases, etc.

- i) Prior approval of the competent authority (Registrar/Director as the case may be) be obtained for obtaining spot quotations for urgent jobs. In this case also necessary enquiry form should be filled up and then the spot quotations obtained.
- ii) The approval note, enquiry copy, and spot quotations should then be handed over to SH - CPSC who will immediately place them before the Standing Committee for further action or as directed by the competent authority.
- iii) For any urgent purchase of consumable items (other than through imprest) costing not more than Rs.25,000/- at any one time, prior approval of Registrar be obtained. In all other cases including any type of capital items, approval of Director, through COE/Registrar as the case may be should be obtained, including constitution of committees, if any, effecting urgent purchases.
- iv) Proprietary items - Wherever proprietary items are to be purchased, the officers authorised to purchase will take prior approval of the Registrar/Director/competent authority by submitting self-contained note.
- v) All papers must be routed through relevant files and not in loose folder. All papers should be serially numbered from bottom to top.

In case of Emergency/Spot purchases the user department should ensure that such occurrences are not repeated frequently and the amount of such purchases should not exceed 10% of the annual budget amount. By any reason if it exceeds 10% the same may be brought to the notice of the Director.

G) Standing Committee

- i) The guidelines for the Standing Committee have been detailed in office order no. D/94 dated 06.07.1994.

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- ii) SH - CPSC will place all the quotations along with the administrative approval and enquiry copy before the Standing Committee.
- iii) Standing Committee Members present will scrutinize these documents and open the quotations and initial them.
- iv) Thereafter SH - CPSC will send these quotations to the concerned officers who have been entrusted with the purchasing activities such as COE, Library & Information Officer, Executive Engineer, DR(incharge of S&T), Manager, Computer Centre, Professor in-charge, AMCE and M.O., who in turn, with the help of their section heads, will prepare the detailed Comparative Statements which should also be scrutinized and signed by Dept. Head of A&A. These Comparative Statements along with the quotations will then be sent to the SH - CPSC who will place these documents before the Standing Committee for further necessary action. Whenever necessary the concerned officers will get the assistance of the user department/expertise of department heads, in the preparation of the Comparative Statements.
- v) While considering the Comparative Statement, wherever necessary, the Standing Committee will invite the Head of the user department for consultation.
- vi) Similarly, for any technical evaluation is required Standing Committee may recommend to entrust the task to a sub-committee. If need be, Standing Committee will also recommend re-tender with the specific instructions/directions, in which case the concerned officers will take further action to invite re-tender in accordance with the procedures outlined above (see items C and D above).
- vii) The relevant extracts of the recommendations of the Standing Committee along with the quotations and Comparative Statements will be sent to the concerned officers (COE, Executive Engineer, Library & Information Officer, M.O., DR(incharge of S&T), Manager, CC, Professor in-charge, AMCE who have been entrusted with the task of purchasing activities, as detailed in the guidelines, by SH - CPSC.

## H) Financial Sanctions

- i) Based on the rates and approved suppliers indicated in the minutes of the Standing Committee/Comparative Statements, as communicated to the concerned departments by the SH - CPSC, department will prepare financial sanctions in the prescribed form (all the columns of the form must be filled by the



officer operating the budget head). The form will be endorsed by the DR/AR(Audit & Accounts). The financial sanctions will then be sent to the Registrar/Director/competent authority, as follows, for consideration and approval. The Standing Committee Meeting Number and Date under which the rates have been approved and the relevant administrative approval note date must be indicated on the financial sanction from:

- for all budget heads under the delegation of powers - Registrar is the competent authority to approve financial sanctions.
  - all other budget heads including all capital items - Director through COE and Registrar/Registrar, as the case may be.
- ii) Original copy of the financial sanction for purchase by the units/sections/department concerned, under COE will be retained with COE/SH - CPSC. One copy will be sent to Accounts and another copy to the concerned units/sections/department.
- iii) In the case of Executive Engineer, Library & Information Officer, M.O., DR(S&T), Manager, CC and Professor In-charge, AMCE, who have been entrusted with the purchasing activities related to the items specified in the guidelines, they will send one copy of the financial sanction to the Accounts Section and the original will be retained by them alongwith earlier administrative approval.
- I) Budget Heads
- i) DR/AR(Audit & Accounts) will circulate the approved allocation of various budget heads to the concerned departments well in time so as to plan and regulate expenditure. Initially, tentatively approved allocation may be circulated and thereafter firm allocation of funds may be communicated to the concerned departments.
  - ii) The departmental heads operating the various budget heads will ensure that the expenditure should not exceed the allocated budget.
- J) Purchase Orders
- i) Based on the financial sanction in the manner prescribed above, the concerned authorized officers (COE, Executive Engineer, Library & Information Officer, M.O., DR(S&T), Manager, CC, Professor In-charge, AMCE as the case may be), will prepare the necessary purchase orders in the prescribed form and issue to the supplier. Copies of the purchase orders indicating the Standing Committee



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Meeting Number and Date, and Financial Sanction Number and Date, along with related Budget Head, should be sent to the DR(A&A), SH - CPSC and SH - Stores. Regular follow up with the supplier to obtain the goods will be the responsibility for the concerned officers authorized to purchase the items.

- ii) All the goods must be received by the SH - Stores in accordance with details mentioned in the Purchase Order. Once the goods have been received in the Stores Section, the SH - Stores will inform the concerned departments like MO, DR(S&T), Executive Engineer, Library & Information Officer, Manager, CC and Professor In-charge, AMCE who have issued the purchase orders to inspect and to take delivery of the items from the Stores through indent procedure. In case of units, sections, departments reporting to COE the concerned units/sections/department head/user will be informed alongwith COE to inspect and to take delivery of items from the Stores through indent procedure.
- iii) SH - Stores will inform the concerned officer, COE, Executive Engineer, MO, DR(S&T), Library & Information officer, Manager, CC, Professor In-charge, AMCE, who has issued the purchase order about the receipt of the goods, the delivery Challan Number and Date, and Bill Number and Date. The concerned officer will endorse these details on the office copy of the purchase order and the purchase order file will then be closed by them. The concerned officers entrusted with the purchasing activities should also counter-sign the Challan and Bills, as a token of having received the goods in good condition, simultaneously sending the indent to Stores.

**K) Issue and Receipt of Goods, Maintenance of Relevant Registers, etc. by the Stores Section**

- i) All goods for which purchase orders have been issued by the authorized officers, will be dispatched to the Stores Section.
- ii) Once the goods have been received by the stores based on the purchase order issued earlier, the SH - Stores will inform the user department concerned to inspect the goods wherever necessary, before they are taken into stock.
- iii) Whenever the goods have been collected directly from the supplier from their shops based on the purchase order issued, the SH - CPSC and/or other officers authorized to make purchases, will handover the goods along with delivery Challans and Bills to the SH - Stores for further action in the manner detailed at i-iii above.

- iv) After the goods have been taken into stock (Stock Register, Assets Register, etc.), the user unit section/department should be asked to send the necessary indent for lifting the goods partly or fully as the case may be. User units/sections/department, while sending the indent, should indicate on the indent the balance quantity available with them along with the quantity now required. Wherever the items are required for a specific, UBP, consultancy, Project or Self supporting activity etc., the same should be indicated in the indent so that the SH - Stores can send Debit/Credit notes to the Accounts Section. The SH - CPSC and SH - Stores will coordinate regarding the debit/credit notes so as to regulate the budget heads under the control of COE.
- v) SH - Stores will maintain appropriate Stock Registers, Asset Registers, etc. and indents will be posted regularly. Similarly the concerned units/departments will also maintain Stock & Issue Register, Assets Register in respect of the departments.
- vi) Wherever stock items are involved, e.g. printing and stationery item SH --Stores will ensure keeping a minimum stock balance, and inform COE, SH - CPSC well in advance for taking action to replenish the items.

**L) Utilisation and Consumption Register**

All consuming sections of various items (Estate, Library, Dispensary, Programmes, Computer Centre, Xerox Wing, Course Material, F.S., Hostels, etc.) should maintain a utilization and consumption register indicating all the materials received day-to-day consumption of goods, balance, etc. The consumption record should be maintained also for items drawn from Central Stores periodically through indents. Their consumption should be tallied through entries in the work orders/complaints/receipts, etc. It should be seen that only such quantities of materials (Cement, etc.) are issued to contractors as are required for use on the work within a reasonable period. These registers will be open for audit from time to time.

**M) Bill Passing**

Based on the purchase orders issued by the authorized officers, the SH - Stores, on receipt of goods, delivery challan and bills, will process the bills and send to Accounts Section through DR(Admn) in-charge of Stores. Necessary bill passing register should be maintained by the SH - Stores. The bills/invoices should be sent to the Accounts with due inspection report/Acceptance and certification within 7 days from the date of receipt of materials/works.



Payment

All payments for supplies/Contracts should be made within 25 calendar days from the date of submission of the bills to the Purchaser by the Supplier/Contractor. All discrepancies (if any) in their bills should be identified at one time and the same should be brought to the notice of the competent authority. All payments should be in the form of A/c payee Cheque/ECS and issued through the central dispatch unit (after obtaining stamped receipt in case of personal collection) with a covering letter detailing out the bill No.; Amount claimed in the bill; deductions if any, etc. Copy of which may be endorsed to the concerned purchase officer by the Accounts department. Failure to comply with the above procedure should be brought to the notice of competent authority/Grievance Officer of NITIE.

N) Urgent Purchases

Wherever urgent purchases have been approved by Register/Director through advances, necessary papers will be routed through SH - Stores, who will obtain the indent from the concerned department, make necessary entries in the relevant registers and note down relevant page number etc. on the cash memo. Thereafter the concerned Department will take back these papers and settle the advances after making necessary expenditure entry in their budget head Register/Stock & Issue Register/Assets Register, as the case may be.

O) Bulk Items like Cement, Equipments, Electrical, Civil, Plumbing, Medicines, Printing of Brochures, etc.

Whenever these items have been purchased by the authorized officers detailed above, these items will be directly taken over by the user department if necessary. However, all the relevant papers such as purchase order, delivery challan, bills indent, indent etc., should be sent to the SH - Stores for making necessary entries in the relevant registers. Here the material should be taken through an indent and also the indent should indicate balance quantity available and the quantity now lifted. Thereafter SH - Stores will process the bills and send to Accounts Section through DR(Admn) in charge of Stores. SH - Stores will also inform the concerned departments regarding the details of the delivery Challan, Bill Number, etc., so as to enable them to close their relevant purchase order file. The concerned officer should maintain the utilization/consumption register/assets register with regard to these items also.



P) Purchase of Capital Items - Financial Powers

- i) While Director is empowered to sanction expenditure upto Rs.10 Lakhs for purchase of capital items and up to Rs.20 Lakhs for capital works (i.e. major/minor works) at any one time, necessary, proposal for obtaining approval of the Chairman/Board may be made for purchase of capital items/works beyond the limits, by the concerned departments.
- ii) The same procedure as explained above for purchase of consumable items will be followed for purchase of capitals items also, i.e., limited tenders upto and including capital items costing Rs.25 Lakhs and below at any one time. If the administrative approval for individual capital item is more than Rs.25 Lakhs at any one time, similar procedure detailed at B-i above shall be followed. Wherever necessary the Director will consult Standing Committee in this regard. Same procedure will be applicable for purchase of capital items on repeat order basis and for minor (capital) works upto Rs.10 Lakhs at any one time (i.e. item D (i) to (vi) above will be followed).
- iii) Work Orders: For approved capital jobs work orders will be approved for release in full or in stages by the Director.

Q) Observance of Govt. of India Orders

The concerned officers authorized to purchase goods for the Institute should ensure that Govt. of India orders received by the Institute from time to time relating to local purchase of goods from Cooperative Stores, Small Scale Industries, Kendriya Bhandar, National Co-operative Consumers' Federation of India Ltd.(NCCF), etc. are adhered to.

Wherever this Purchase and Stores Procedures Manual are silent related to procurement of stores, provisions of GFRs and instructions/guidelines issued thereunder from time to time may be adopted.

In case of the Institution directly procures DGS&D rate contracted goods from the suppliers, the price to be paid for such goods shall not exceed those stipulated in the rate contract.

Negotiation with bidders after bid opening must be severely discouraged. However, in exceptional circumstances where price negotiation against an ad hoc procurement is necessary due to some unavoidable circumstances, the same may be resorted to only with the lowest evaluated responsive bidder.

R) Procedure for Disposal of Consumable-Capital Items - Survey Committee

- i) All departmental heads who have consumable items/capital items under their control which are beyond economical repairs should prepare details of these items in the prescribed form annually and submit the same to the Survey Committee through its Secretary for further necessary action.
- ii) The secretary to the Survey Committee will scrutinize these details submitted by the concerned departments in the prescribed form and present the same to the Survey Committee from time to time.
- iii) The Survey Committee will inspect these goods and make suitable recommendations to the Director.
- iv) All consumable items will then be disposed off in the manner recommended by the Survey Committee and approved by the Director.
- v) As far as disposal of capital items are concerned, the recommendations of the Survey Committee will be put up to the Chairman/Board for consideration and approval.
- vi) On approval, SH - Stores will make necessary entries in the Assets Register regarding disposal of capital items from time to time and intimate Accounts Section for deleting these items and values from the balance sheet.
- vii) In case of disposal of consumable items, these will be deleted from the stock register as well as utilization/consumption register once these are approved for disposal.
- viii) Immediately on receipt of approval from the Secretary to the Survey Committee, the SH - Stores will delete the item from the relevant Assets Register/(Stock Register in case of consumable items) and intimate to Accounts Section to delete the value of the capital items from the Balance Sheet. Simultaneously the user department will also take similar action to delete the disposable items from the Assets Register/Stock Register. Once the items are disposed off by SH - CPSC, the amount received will be credited to the respective Budget Heads e.g. BCPAAA/Main a/c, etc., by the Accounts Section. Similar procedures with mutandis-mutandis shall be followed by Library & Information Officer and SH(Transport).



- ix) The SH - CPSC will take necessary action as approved by the competent authority for disposal of capital as well as consumable items, by public tender/limited tender as the case may be.
- x) Surplus, obsolete or unserviceable goods of assessed residual value above Rs.2 Lakhs should be disposed by (a) obtaining bids through advertised tender or (b) public auction.
- xi) For goods with residual value less than Rs.2 Lakhs, the mode of disposal will be determined by the Competent Authority, keeping in view the necessity to avoid accumulation of such goods and consequential blockage of space and also deterioration in value of goods to be disposed of.

S) Maintenance of Assets Registers

Maintenance of Assets Register (including Projects) for all capital items will be the responsibility of the following officers:

- For equipment, furniture and fixtures etc. - SH(Stores)
- For vehicles - SH(S&T)
- For books - Library & Information Officer
- For buildings - Executive Engineer

In addition to the above, all section heads with the guidance of Department Heads, are required to maintain separate Assets Registers relating to capital items under their custody (such as computer items, furniture like tables, chairs, cupboards, filing cabinets, cots; water coolers, stabilizers, refrigerators, equipments, typewriter, paper copier, duplicating machines, etc.). It will be the joint responsibility of Department Heads and Section Heads to maintain separate Asset Registers of their respective sections. Internal Audit Section should inspect all Asset Registers periodically.

T) Buy-Back Offer

When it is decided with the approval of the competent authority to replace an existing old item(s) with a new and better version, the department may trade the existing old item while purchasing the new one. For this purpose, a suitable clause is to be incorporated in the bidding document so that the prospective and interested bidders formulate their bids accordingly. Depending on the value and condition of the old item to be traded, the time as well as the mode of handing over the old item to the successful bidder should be decided and relevant details in this regard suitably



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incorporated in the bidding document. Further, suitable provision should also be kept in the bidding document to enable the purchaser either to trade or not to trade or not to trade the item while purchasing the new one.

U) Miscellaneous

The budget meeting will be held in the month of November every year after finalizing the programmes - SEPs/UBPs/Consultancy/Seminars/PGP based on focus - in the next year. Budget meeting will be attended by Registrar, COE, Manager, CC, Executive Engineer, M.O., Library & Information Officer, DR(incharge of Admn/S&T) and Professor In-charge, AMCE and Departmental Head(A&A). The budget will be allocated under the categories of:

1. M&R to Furniture and Fixtures; 2. M&R to Building; 3. M&R to Estate equipments, these will be controlled by Executive Engineer. However, Executive Engineer will distribute the amounts to various heads depending upon the requirements of maintenance and repairs. Similarly, the M&R to Office equipments, Lab equipments will be under the control of COE to be distributed to different departments/sections falling under COE and Registrar. M&R to Computers and related items such as UPS, Stabilizers etc. will be kept under the charge of Manager, CC to be allocated to various sections depending upon the computer allocation to various sections under COE/Registrar. The overall budget for printing and promotion will be controlled by COE to be distributed to administration and faculty. Similarly, stationery and promotion as well as dispatch and promotion material will be under the control of COE to be distributed to different sections. The advertisements, transport and promotion budget will be kept under Registrar to be allocated to different divisions. Travel budget - both foreign and domestic for faculty/officers will be kept under Registrar to be allocated to different sections for the purpose. All statutory payments budget will be with Registrar and Executive Engineer depending upon the category of statutory requirements. Library budget will be under the control of Library & Information Officer and the medical budget will be under the control of Faculty Incharge, Health Programme and Medical Care.

V) Receipt Stock and Issue Procedure

All purchases of capital equipments/furniture will be as per the budget approval and entry in the Central Stock Registrar should be made before clearing the payments to the suppliers. These items will be released to the user departments/sections on demand after making necessary entries in stock registers and the user

departments/sections will also make the entries in their registers. Consumption items also will be purchased, entered in the Stock Register, stored properly and issued to user departments/sections on demand. User department will maintain a register for the receipt of the items for details, see item J above.

W) Disposal

Unserviceable items both capital and consumable are to be identified by the user department/sections to be declared as unserviceable. Necessary Survey Report should be made by the user departments/sections and the same may be cleared by the Survey Committee from time to time in the manner detailed at R above.

X) Vendors Registration Form

A specimen form is enclosed for implementation.

The purchase and stores guidelines and terms of reference to the Standing Committee referred to above will form part of these procedures. However these procedures will take precedence over any other orders/guidelines issued earlier relating to these issues.

Director's decision will be final with regard to interpretation of any of the above procedures.

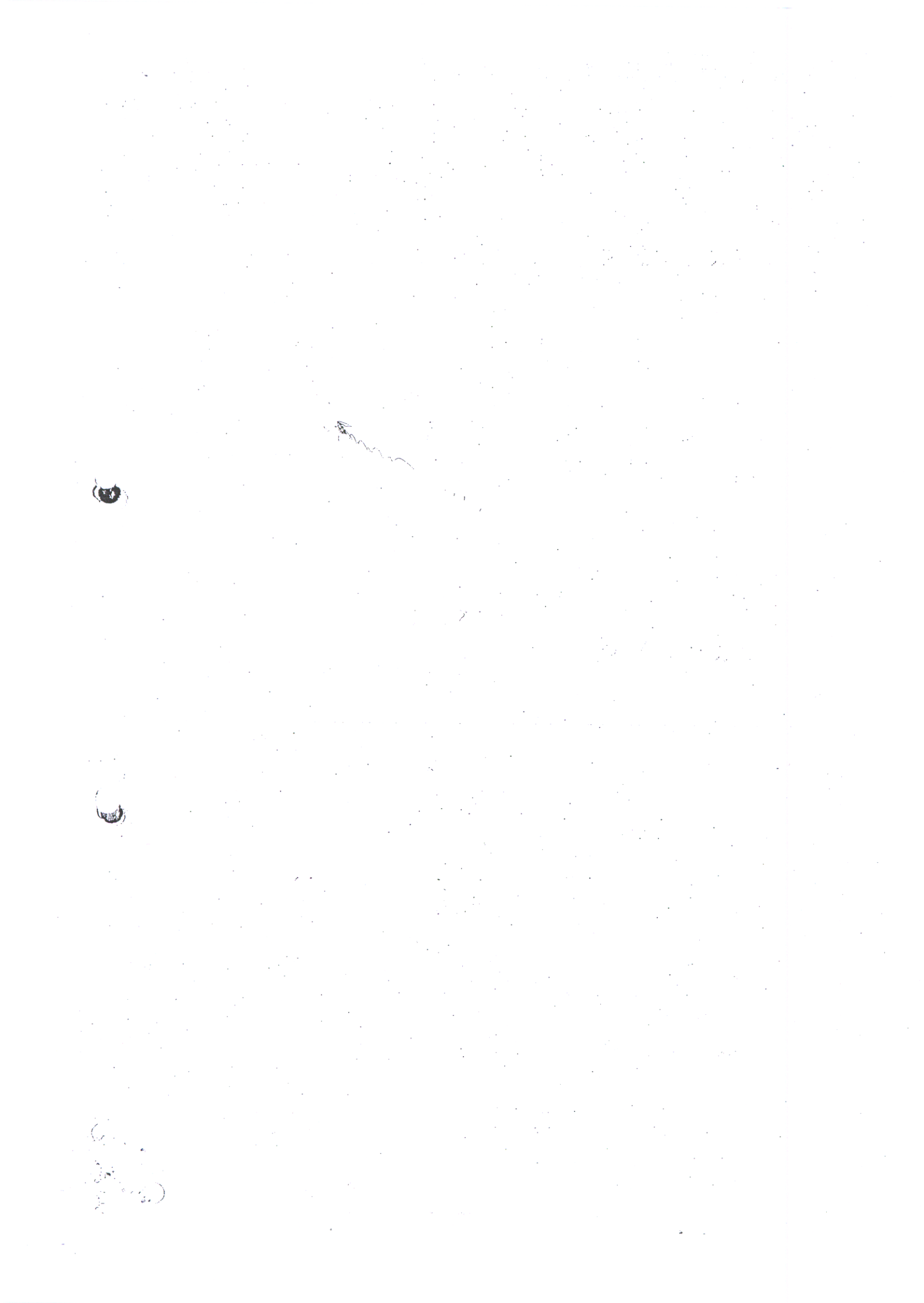


DIRECTOR

Encl: - Purchase & Stores Guidelines

- Terms of Reference - Standing Committee - Purchase Guidelines

- Vendors Registration Form - Contract Cell





NITIE, Mumbai 87

No.D/FC-27/98

Date: 1.4.1998

## OFFICE ORDER

With immediate effect, the enclosed Purchase & Stores Procedures Manual will be in operation and all concerned officers will comply with the procedures contained therein.



DIRECTOR

Distribution:

Registrar  
CoE  
Manager, CC  
Co-ordinator (Operations) AMCE  
DR (S & T)  
Senior Librarian  
I.E.  
Medical Officer

cc: All Departmental Heads  
All Section Heads  
Chairman, Standing Committee's

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Care should be taken by the concerned units/sections/departments to see that a minimum of two to three months lead time is provided for procurement of the items after observing all procedures. Hence they should plan their requirements well in advance and initiate action accordingly.

a. All types of consumable items :

- i. In respect of departments/sections/units under the control of COE (Programme, Course Material, Faculty Secretariat, Projects, Academic, Hostels, Laboratories, Audio Visual, Computer Centre, NITIE Centres (including Computer Centre, AMICE), Library, CPSC, Publications, Placement, Public Relations, NAA, Booking Cell, DCA, Director's Office, Zerox Wing). Administrative approval through COE and Registrar, from Director or Officer as per delegation of powers.



ii. In respect of departments/sections/units under the direct control of Registrar (Estate, Accounts, Audit, Administration, Hindi Cell, Telephones, Telex, Stores, B&M, Legal, S&T, Land, Dispensary and matters not covered in a.i above). Administrative approval through Registrar, from Director or Officer as per delegation of powers.

b. All types of capital items from Director through COE and Registrar/Registrar as the case may be.

B. Maintenance of Vendors Registers

The officers to whom purchasing activities have been entrusted in accordance with the purchase and stores guidelines, will maintain appropriate and separate approved vendors registers (subjectwise like civil, electrical, plumbing, stationery, capital items, miscellaneous items etc.), which should be updated from time to time. Any direction given by the Standing Committee or any other empowered authority of the Institute and approved from time to time in this regard will be adhered to.

C. Floating Enquiries

- i. The concerned officers entrusted with the purchase activities of the Institute will float the enquiries in the prescribed enquiry form based on the administrative approval.
- ii. For every item handled there should be at least 15 credible vendors with relevant registration and clearances. The difficulty of expanding the vendor list in the above case should be endorsed by studying further. On an average the list should consist of 30 approved vendors. Vendor Registration form is enclosed for use.
- iii. Where there is a doubt, guidance from the Standing Committee and Registrar/Director may be obtained.

- iv. Enquiries may be sent under courier post or speed post/UCP, as the case may be, and a receipt of delivery may be taken. In order to reduce lead time for obtaining quotations, enquiries may also be sent by fax/E-mail. While sending enquiries the suppliers be advised to indicate the enquiry number and date on the cover of their quotations. Separate registers be maintained by the purchasing unit wherein all inquiries are to be listed along with the evidence of despatch such as postal receipt, courier's receipt and fax counterfoil etc.
- v. For articles where administrative approval is for an amount of more than 3 lakhs (for minor works Rs.3 lakhs & for others Rs.4 lakhs) in addition to item i, ii, iii, and iv, newspaper advertisement as per procedures may be given with consolidation of various items of procurements for cost effectiveness. In order to save cost of advertisement enough items may be planned in advance and consolidated for advertisement quickly without affecting the workflow of the Institute. Director will however decide whether limited tender/public tender is to be invited on case to case basis for items i, ii, iii, and iv also.
- vi. The concerned officers authorised to send enquiries must ensure that a copy of the enquiry along with the copy of the administrative approval is sent to the Section Head of Common Purchase Service Cell ( SH - CPSC) immediately after despatching the enquiries.

#### D. Receipt of Quotations

- i. All quotations received by the Institute - Director's Office, any officers directly delegated with purchasing activities as detailed in the guidelines, CPSC, etc. must be dropped in the quotations box fixed near the COE/CPSC office. This box will be opened at 9:30 a.m. in the presence of Standing Committee Members, normally on the last working day of every week in the manner detailed in the guidelines.



- ii. SH - CPSC will sort out these quotations, based on the enquiry reference number, and date, copies of which must be received by him from the concerned officers who have floated the enquiries.
- iii. After the due date is over, these quotations along with the copy of the enquiry and administrative approval be placed before the Standing Committee for further necessary action by the SH - CPSC.

E. Spot Quotations, Emergency Purchases etc.

- i. Prior approval of the competent authority (Registrar/Director as the case may be) be obtained for obtaining spot quotations for urgent jobs. In this case also necessary enquiry form should be filled up and then the spot quotations obtained.
- ii. The approval note, enquiry copy, and spot quotations should then be handed over to SH - CPSC who will immediately place them before the Standing Committee for further action or as directed by the competent authority.
- iii. For any urgent purchase of consumable items (other than through imprest) costing not more than Rs. 10,000/- at any one time, prior approval of Registrar be obtained. In all other cases including any type of capital items, approval of Director, through COE/Registrar as the case may be, should be obtained, including constitution of committees, if any, effecting urgent purchases.
- iv. Proprietary items - Wherever proprietary items are to be purchased, the officers authorised to purchase will take prior approval of the Registrar/Director/competent authority by submitting self-contained note.
- v. All papers must be routed through relevant files and not in loose folder. All papers should be serially numbered from bottom to top.

In case of Emergency/Spot purchases the user department should ensure that such occurrences are not repeated frequently and the amount of such purchases should not exceed 10% of the annual budget amount. By any reason if it exceeds 10% the same may be brought to the notice of the Director.



5

F. Standing Committee

- i. The guidelines for the Standing Committee have been detailed in office order no. D/94 dated 6.7.1994.
- ii. SH - CPSC will place all the quotations along with the administrative approval and enquiry copy before the Standing Committee.
- iii. Standing Committee members present will scrutinise these documents and open the quotations and initial them.
- iv. Thereafter SH - CPSC will send these quotations to the concerned officers who have been entrusted with the purchasing activities such as COE, Senior Librarian, IE, DR incharge of S&T, Manager, Computer Centre, Co-ordinator (Operations) AMCE and M.O., who, in turn, with the help of their section heads, will prepare the detailed comparative statements which should also be scrutinised and signed by Dept. Head of A & A. These comparative statements along with the quotations will then be sent to the SH - CPSC who will place these documents before the Standing Committee for further necessary action. Whenever necessary the concerned officers will get the assistance of the user department/expertise of department heads, in the preparation of the comparative statements.
- v. While considering the comparative statement, wherever necessary, the Standing Committee will invite the Head of the user department for consultation.
- vi. Similarly, for any technical evaluation is required Standing Committee may recommend to entrust the task to a sub-committee. If need be, Standing Committee will also recommend re-tender with the specific instructions/directions, in which case the concerned officers will take further action to invite re-tender in accordance with the procedures outlined above (see items C and D above).
- vii. The relevant extracts of the recommendations of the Standing Committee along with the quotations and comparative statements will be sent to the concerned officers (COE, IE, Senior Librarian, M.O. DR incharge of S&T, Manager, CC, Co-ordinator (Operations) AMCE) who have been entrusted with the task of purchasing activities, as detailed in the guidelines, by SH - CPSC.

viii. Purchasing order forms will be serially numbered and the following colour will be used by the concerned officers.

COE	- White
IE	- Pink
SL	- Cream
MO	- Light Red
DR (S&T)	- Green
Manager, CC	- Yellow
Co-ordinator (Operations) AMCE	- Blue

The copies of Purchase Orders will be numbered as copy 1, copy 2, copy 3, copy 4.

#### G. Financial Sanctions

- i. Based on the rates and approved suppliers indicated in the minutes of the Standing Committee/comparative statements, as communicated to the concerned departments by the SH - CPSC, departments will prepare financial sanctions in the prescribed form (all the columns of the form must be filled by the officer operating the budget head). The form will be endorsed by the DR/AR (Audit & Accounts). The financial sanctions will then be sent to the Registrar/Director/competent authority, as follows, for consideration and approval. The Standing Committee Meeting No. and date under which the rates have been approved and the relevant administrative approval note date must be indicated on the financial sanction form.

- for all budget heads under the delegation of powers - Registrar is the competent authority to approve financial sanctions.

- all other budget heads including all capital items - Director through COE and Registrar/Registrar, as the case may be.



- ii. Original copy of the financial sanction for purchase by the units/sections/department concerned, under COE will be retained with COE/SH - CPSC, one copy will be sent to Accounts and another copy to the concerned units/section/department.
- iii. In the case of IE, Senior Librarian, M.O., DR(S&T), Manager, CC and Co-ordinator (Operations) AMCE, who have been entrusted with the purchasing activities related to the items specified in the guidelines, they will send one copy of the financial sanction to the Accounts Section and the original will be retained by them along with earlier administrative approval.

#### H. Budget Heads

- i. DR/AR (Audit & Accts) will circulate the approved allocation of various budget heads to the concerned departments well in time so as to plan and regulate expenditure. Initially, tentatively approved allocation may be circulated and thereafter firm allocation of funds may be communicated to the concerned departments.
- ii. The departmental heads operating the various budget heads will ensure that the expenditure should not exceed the allocated budget.

#### I. Purchase Orders

- i. Based on the financial sanction in the manner prescribed above, the concerned authorised officers (COE, IE, Senior Librarian, M.O., DR(S&T), Manager, CC, Co-ordinator (Operations) AMCE as the case may be), will prepare the necessary purchase orders in the prescribed form and issue to the supplier. Copies of the purchase orders indicating the Standing Committee meeting number and date, and financial sanction number and date, along with related budget head, should be sent to the AR(A&A), SH - CPSC and SH - Stores. Regular follow up with the supplier to obtain the goods will be the responsibility of the concerned officers authorised to purchase the items.



- ii. All the goods must be received by the SH - Stores in accordance with details mentioned in the P.O. Once the goods have been received in the Stores Section, the SH - Stores will inform the concerned departments like MO, DR(S&T), IE, Sr. Librarian, Manager, CC and Co-ordinator (Operations) AMCE who have issued the purchase orders to inspect and to take delivery of the items from the Stores through indent procedure. In the case of units, sections, departments reporting to COE the concerned unit/sections/department head/user will be informed along with COE to inspect and to take delivery of items from the Stores through indent procedure.
- iii. SH - Stores will inform the concerned officer, COE, IE, MO, DR(S&T), Sr. Librarian, Manager, CC, Co-ordinator (Operations) AMCE, who has issued the purchase order about the receipt of the goods, the delivery challan number and date, and bill number and date. The concerned officer will endorse these details on the office copy of the purchase order and the purchase order file will then be closed by them. The concerned officers entrusted with the purchasing activities should also counter-sign the Chailan and Bills, as a token of having received the goods in good condition, simultaneously sending the indent to Stores.

J. Issue and Receipt of Goods, Maintenance of Relevant Registers etc. by the Stores

Section

- i. All goods for which purchase orders have been issued by the authorised officers, will be despatched to the Stores Section.
- ii. Once the goods have been received by the stores based on the purchase order issued earlier, the SH - Stores will inform the user department concerned to inspect the goods wherever necessary, before they are taken into stock.
- iii. Whenever the goods have been collected directly from the supplier from their shops based on the purchase order issued, the SH - CPSC and/or other officers authorised to make purchases, will handover the goods along with delivery challans and bills to the SH - Stores for further action in the manner detailed at I-iii above.

- iv. After the goods have been taken into stock (stock register, assets register, etc.), the user unit/section/department should be asked to send the necessary indent for lifting the goods partly or fully as the case may be. User units/section/department, while sending the indent, should indicate on the indent the balance quantity available with them along with the quantity now required. Wherever the items are required for a specific UBP, Consultancy, Project or Self supporting activity, etc., the same should be indicated in the indent so that the SH - Stores can send debit/credit notes to the Accounts Section. The SH - CPSC and SH - Stores will coordinate regarding the debit/credit notes so as to regulate the budget heads under the control of COE.
- v. SH - Stores will maintain appropriate stock registers, asset registers, etc. and indents will be posted regularly. Similarly the concerned units/depts. will also maintain stock & issue register, assets register in respect of the depts.
- vi. Wherever stock items are involved, e.g. printing and stationery items SH - Stores will ensure keeping a minimum stock balance, and inform COE/SH - CPSC well in advance for taking action to replenish the items.

K. Utilisation and Consumption Register

All consuming sections of various items (Estate, Library, Dispensary, Programmes, Computer Center, Xerox Wing, Course Material, F.S., Hostels, etc.) should maintain a utilisation and consumption register indicating all the materials received, day-to-day consumption of goods, balance etc. The consumption record should be maintained also for items drawn from Central Stores periodically through indents. Their consumption should be tallied through entries in the work orders/complaints/receipts etc. It should be seen that only such quantities of materials (cement etc.) are issued to contractors as are required for use on the work within a reasonable period. These registers will be open for audit from time to time.

L. Bill Passing

Based on the purchase orders issued by the authorised officers, the SH - Stores, on receipt of goods, delivery challan and bills, will process the bills and send to Accounts

Section through DR(Admn.) in-charge of Stores. Necessary bill passing register should be maintained by the SH - Stores. The bills/invoices should be sent to the Accounts with due inspection report/Acceptance and certification within 7 days from the date of receipt of materials/works.

#### Payment

All payments for Supplies/Contracts should be made within 25 calendar days from the date of submission of the bills to the Purchaser by the Supplier/Contractor. All discrepancies (if any) in their bills should be identified at one time and the same should be brought to the notice of the competent authority. All payments exceeding Rs.1000/- (Rupees one thousand only) should be in the form of A/c payee cheques and issued through the central despatch unit (after obtaining stamped receipt in case of personal collection) with a covering letter detailing out the bill no., Amount claimed in the bill; deductions if any etc. Copy of which may be endorsed to the concerned purchase officer by the A/C department. Failure to comply with the above procedure should be brought to the competent authority/Grievance Officer of NITIE.

#### M. Urgent Purchases

Wherever urgent purchases have been approved by Register/Director through advances, necessary papers will be routed through SH - Stores who will obtain the indent from the concerned department, make necessary entries in the relevant registers and note down relevant page number etc. on the cash memo. Thereafter the concerned Department will take back these papers and settle the advances after making necessary expenditure entry in their budget head register/stock & issue register/assets register, as the case may be.

#### N. Bulk Items like Cement, Equipments, Electrical, Civil, Plumbing, Medicines, Printing of Brochures, etc.

Whenever these items have been purchased by the authorised officers detailed above, these items will be directly taken over by the user department if necessary. However,



all the relevant papers such as purchase order, delivery challan, bills, indent, etc. should be sent to the SH - Stores for making necessary entries in the relevant registers. Here the material should be taken through an indent and also the indent should indicate balance quantity available and the quantity now lifted. Thereafter SH - Stores will process the bills and send to Accounts Section through DR(Admn) in charge of Stores. SH - Stores will also inform the concerned departments regarding the details of the delivery challan, bill number etc. so as to enable them to close their relevant purchase order file. The concerned officer should maintain the utilisation/consumption register/assets register with regard to these items also.

O. Purchase of Capital Items - Financial Powers

- i. While Director is empowered to sanction expenditure upto Rs. 4 Lakhs for purchase of capital items and up to 3 lakhs for capital works (i.e. minor works) at any one time, necessary proposal for obtaining approval of the Chairman/Board may be made for purchase of capital items/works beyond the limits, by the concerned departments.
- ii. The same procedure as explained above for purchase of consumable items will be followed for purchase of capitals items also, i.e., limited tenders upto and including capital items costing Rs.3 Lakhs and below at any one time. If the administrative approval for individual capital item is more than Rs. 3 Lakhs at any one time, similar procedure detailed at C-V above shall be followed. Wherever necessary the Director will consult Standing Committee in this regard. Same procedure will be applicable for purchase of capital items on repeat order basis and for minor (capital) works upto Rs. 3 Lakhs at any one time (i.e. item C(i) to (vi) aboe will be followed).
- iii. Work Orders : For approved capital jobs work orders will be approved for release in full or in stages by Director.

P. Observance of Govt. of India Orders

The concerned officers authorised to purchase goods for the Institute should ensure that Govt. of India orders received by the Institute from time to time relating to local purchase of goods from cooperative stores, small scale industries, etc. are adhered to.

Q. Procedure for Disposal of Consumable:Capital Items - Survey Committee

- i. All departmental heads who have consumable items/capital items under their control which are beyond economical repairs should prepare details of these items in the prescribed form every three months and submit the same to the Survey Committee through its Secretary for further necessary action.
- ii. The secretary to the Survey Committee will scrutinise these details submitted by the concerned departments in the prescribed form and present the same to the Survey Committee from time to time.
- iii. The Survey Committee will inspect these goods and make suitable recommendations to the Director.
- iv. All consumable items will then be disposed off in the manner recommended by the Survey Committee and approved by the Director.
- v. As far as disposal of capital items are concerned, the recommendations of the Survey Committee will be put up the Chairman/Board for consideration and approval.
- vi. On approval, SH - Stores will make necessary entries in the assets register regarding disposal of capital items from time to time and intimate Accounts Section for deleting these items and values from the balance sheet.
- vii. In case of disposal of consumable items, these will be deleted from the stock register as well as utilisation/consumption register once these are approved for disposal.
- viii. Immediately on receipt of approval from the Secretary to the Survey Committee, the SH - Stores will delete the item from the relevant Assets Register/ (Stock Register in case of consumable items) and intimate to Accounts Section to delete

the value of the capital item from the Balance Sheet. Simultaneously the user dept. will also take similar action to delete the disposable items from the Assets Register/Stock Register. Once the items are disposed off by SH - CPSC, the amount received will be credited to the respective Budget Heads e.g. BCPAA-Main a/c. etc. by the Accounts Section. Similar procedures with mutatis-mutandis shall be followed by Sr. Librarian and SH (Transport).

- ix. The SH - CPSC will take necessary action as approved by the competent authority for disposal of capital as well as consumable items, by public tender/limited tender as the case may be.

#### R. Maintenance of Assets Registers

Maintenance of Assets Register (including Projects) for all capital items will be the responsibility of the following officers :

- |  |                 |
|--|-----------------|
| - for equipment, furniture and fixtures etc. | - SH (Stores)   |
| - for vehicles                               | - SH (S&T)      |
| - for books                                  | - Sr. Librarian |
| - for buildings                              | - I.E.          |

In addition to the above, all section heads with the guidance of Dept. Heads, are required to maintain separate Assets Registers relating to capital items under their custody (such as computer items, furniture like tables, chairs, cupboards, filing cabinets, cots; water coolers, stabilizers, refrigerators, equipments, typewriter, paper copier, duplicating machines, etc.). It will be the joint responsibility of Dept. Heads and Section Heads to maintain separate Asset Registers of their respective sections. Internal audit sections should inspect all Asset Registers periodically.

#### S. Miscellaneous

The budget meeting will be held in the month of November every year after finalising the programmes - SEPs/UBPs/Consultancy/Seminars/PGP based on focus - in the next year. Budget meeting will be attended by Registrar, COE, Manager, CC, IE, M.O., Sr.



Librarian, DR incharge of Admn/S&T and Co-ordinator (Operations) AMCE and Departmental Head (A & A). The budget will be allocated under the categories of:-

1. M&R to Furniture and Fixtures; 2. M&R to Buildings; 3. M&R to Estate equipments, these will be controlled by IE. However, IE will distribute the amounts to various heads depending upon the requirements of maintenance and repairs. Similarly, the M&R to office equipments, lab equipments will be under the control of COE to be distributed to different departments/sections falling under COE and Registrar. M&R to Computers and related items such as UPS, Stabilisers etc. will be kept under the charge of Manager, CC, to be allocated to various sections depending upon the computer allocation to various sections under COE/Registrar. The overall budget for printing and promotion will be controlled by COE to be distributed to administration and faculty. Similarly, stationery and promotion as well as despatch and promotion material will be under the control of COE to be distributed to different sections. The advertisements, transport and promotion budget will be kept under Registrar to be allocated to different divisions. Travel budget - both foreign and domestic for faculty/officers will be kept under Registrar to be allocated to different sections for the purpose. All statutory payments budget will be with Registrar and IE depending upon the category of statutory requirements. Library budget will be under the control of Sr. Librarian and the medical budget will be under the control of Faculty Incharge, Health Programme and Medical Care.

T. Receipt Stock and Issue Procedure

All purchases of capital equipments/furniture, will be as per the budget approval and entry in the Central Stock Register should be made before clearing the payments to the suppliers. These items will be released to the user departments/sections on demand after making necessary entries in stock registers and the user departments/sections will also make the entries in their registers. Consumption items also will be purchased, entered in the stock register, stored properly and issued to user departments/sections on

demand. User department will maintain a register for the receipt of the items. For details, see item J above.

U. Disposal

Unserviceable items both capital and consumption are to be identified by the user department/sections to be declared as unserviceable. Necessary survey report should be made by the user departments/sections and the same may be cleared by the Survey Committee from time to time in the manner detailed at Q above.

V. Vendors Registration Form

A specimen form is enclosed for implementation.

The purchase and stores guidelines and terms of reference to the Standing Committee referred to above will form part of these procedures. However these procedures will take precedence over any other orders/guidelines issued earlier relating to these issues.

Director's decision will be final with regard to interpretation of any of the above procedures.



- Encls: - Purchase & Stores Guidelines  
- Terms of Reference - Standing Committee - Purchase Guidelines  
- Vendors Registration Form - Contract Cell

No 19-17/2005-IFD  
Government of India  
Ministry of Human Resource Development  
Department of Higher Education

New Delhi, the 7<sup>th</sup> June, 2010

To

The Heads of all Autonomous Organizations under Ministry of Human Resource Development.

Subject: General Financial Rules, 2005 - Applicability to Central Autonomous Bodies regarding.

Sir,

I am directed to refer to this Ministry's letter of even number dated the 24<sup>th</sup> July, 2007 on the subject mentioned above a copy of which is enclosed for ready reference. The central autonomous bodies under this Ministry were advised vide the above said letter to bring their Financial Rules in conformity with the Revised General Financial Rules (GFRs), 2005. The central autonomous bodies which do not have their own approved manuals on purchases, works etc. were required to follow the provisions of GFRs, 2005 and instructions/guidelines issued there under.

2. It is reiterated that the autonomous bodies may take urgent necessary action to amend their manuals of Financial procedures to bring them in conformity with GFRs 2005 and those which do not have their own approved manuals on financial procedures may adopt the provisions of GFRs, 2005 and instructions/guidelines issued thereunder from time to time. A report of compliance may please be sent to this Ministry at the earliest.

Yours faithfully,

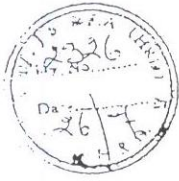
(J.R. AGGARWAL)  
Dy. Secretary to the Govt. of India

Copy to

1. Bureau Heads - for information.
2. All Divisional heads in MHRD for information and follow up action in respect of autonomous bodies under their administration control.
3. PS to AS&FA
4. Director (IFD) and all officers in IFD

1904  
22.6.10





F. No.19-17/2005-IFD  
Government of India  
Ministry of Human Resource Development  
Department of Higher Education  
Integrated Finance Division

New Delhi  
July 24, 2007

To,

The Heads of all Autonomous Organisations under Ministry of Human Resource Development

Subject: General Financial Rules, 2005 – Applicability to Central Autonomous Bodies regarding

Sir,

As you are aware, the General Financial Rules (GFR) of the Government of India were comprehensively revised and updated and the new GFR-2005 came to force w.e.f 1-7-2005 in place of the GFR 1963. The revised GFR, 2005 as well as subsequent amendments thereto are available in the official website of the Ministry of Finance at [www.finmin.nic.in](http://www.finmin.nic.in). Subsequently, Ministry of Finance have also issued manuals on (i) Purchase of Goods; (ii) Procurement of Works; (iii) Employment of Consultants which are available in the same website.

2. Consequent upon the revision of the GFRs, it was incumbent on the Central Autonomous Bodies having their own Financial Rules to bring it in conformity with revised GFR-2005. Similarly, the Central Autonomous Bodies which do not have own approved manuals on purchase, works etc are to follow the provisions of GFR 2005 and instructions/ guidelines issued there under.

3. The Autonomous Bodies are therefore requested to take urgent necessary action to amend their manuals of Financial procedures to bring them in conformity with the GFR-2005. In case any autonomous body does not have any approved manuals on Financial procedures, they may adopt the provisions of GFR-2005 and the other manuals on purchases, works etc by the Ministry of Finance. A report of compliance may please be sent to the Ministry urgently.

Yours faithfully,

(S. Mohan)  
Deputy Secretary (Finance)  
Tel:2338-9247

Copy to:

(1) Bureau Heads – for information

(2) All Divisional Heads in the Ministry of HRD for information and follow up action in respect of autonomous bodies under their administrative control.

(S. Mohan)

NITIE, Bombay 400 087

30th June, 1994

### PURCHASE AND STORES GUIDELINES

The following procedures will be followed while purchasing materials for the Institute with the overall objectives of:

- a) To maintain uninterrupted flow of materials.
- b) To procure materials economically at a cost consistent with the quality and service required.

However, all purchases may be made <sup>normally</sup> at the overall lowest cost.

- c) To provide information to the various departments/sections with regard to material availability, suppliers capability, performance etc.
- d) To enlist/promote new sources.
- e) To maintain Institute's reputation and credibility by fair dealings.

### ALLOCATION OF PURCHASING FUNCTION

The Institute's purchase activities will be consolidated into the following groups:

1. Controller of Examinations:

Purchases related to all academic service scheme such as PGPs, EDPs, UBPs, Computer Centre, all consumables and movable assets of the hostels, all consumables and movable assets of the Institute, A.V. Section, Course Material, DTF, Printing and Publishing, stationery, uniforms, etc.

2. Institute Engineer:

Purchases related to developmental and maintenance of all Institute's immovable assets including electrical, civil, carpentry and plumbing materials, etc. and movable assets for the quarters. (Other than Printing & Stationery consumable items). Necessary related Budget Heads will be operated & controlled by IE, as hitherto.

3. Sr. Librarian:

Purchases related to the library such as books, journals and binding of back volumes. (Other than Printing & Stationery). Necessary Budget Heads will be operated & controlled by Sr. Librarian, as hitherto.



4. Assistant Registrar (Security & Transport):

All purchases related to the Institute vehicles, consumables for vehicles, overhauling, etc. and purchases for security section. (other than Printing & Stationery). Necessary related Budget Heads will be operated & controlled by AR (S & T), as hitherto.

5. Medical Officer:

All purchases of consumables, (other than Printing & Stationery), purchase of medicines, surgical consumables for dispensary. Necessary related Budget Head "Hospital & Medical Miscellaneous" is transferred to Medical Officer from Stores & Purchase section.

STRUCTURE

1. Controller of Examinations:

A Sr. Supdt (Purchase) will assist the CoE with regard to issue of enquiries for the functions listed above. The Sr. Supdt. will develop, select and maintain a suppliers list for inviting quotations taking into consideration the legal, cost and tax aspects after obtaining the specific administrative approval from the competent authority.

2. Institute Engineer:

Supdt. of the estate section will assist I.E. with regard to issue of enquiries for the functions listed above under I.E. The Supdt. will develop, select and maintain a supplier list for inviting quotations taking into consideration the legal, cost and tax aspects after obtaining the specific administrative approval from competent authority.

3. Sr. Librarian:

Librarian will assist Sr. Librarian with regard to issue of enquiries for the functions listed above under Sr. Librarian. The Librarian will develop, select and maintain a supplier list for inviting quotations taking into consideration the legal, cost and tax aspects after obtaining the specific administrative approval from competent authority.

4. Assistant Registrar (Security & Transport):

Supdt. (Security & Transport) will assist AR (Security & Transport) with regard to issue of enquiries for the functions listed above under AR (Security & Transport). The Supdt. will develop, select and maintain a supplier list for inviting quotations taking into consideration the legal, cost and tax aspects after obtaining the specific administrative approval from competent authority.

5. Medical Officer:

Dispensary Supdt. will assist Medical Officer with regard to issue of enquiries for the functions listed above under Medical Officer. The Supdt. will develop, select and maintain a supplier list for inviting quotations taking into consideration the legal, cost and tax aspects after obtaining the specific administrative approval from competent authority.

STOCK REGISTERS

Each user group shall maintain a Stock Register by making appropriate entries like opening balance, receipts, consumption and closing balance, etc. regarding the materials received from stores section. Audit section will check these registers from time to time.

RECEIPT OF QUOTATIONS

All quotations shall be received by the <sup>Common</sup> ~~Central~~ Purchasing Service Cell (CPSC) under the overall charge of the CoE who will be assisted by a Sr. Supdt. For receipt of quotations, a box will be kept under the custody of Sr. Supdt (CPSC) and the box will be opened at 3.00 p.m. on the last working day of every week under the overall supervision of CoE. The Sr. Supdt. will place all the



quotations before the Standing Committee. After the quotations are opened and signed by the members of the Standing Committee present, the quotations will be sent to the respective groups for preparation of comparative statement and putting up of the comparative statement along with the quotations to the Standing Committee through CPSC by various groups. In addition, CPSC will coordinate and provide service for the purchasing activities of other groups. The Sr. Supdt. (CPSC) will also act as convenor of the Standing Committee. In addition, the Sr. Supdt. (CPSC) will ensure the following:

1. All policy system and procedures as laid down are followed by the various groups.
2. Supervise overall contract and statutory regulations.
3. Modifications in line with Govt. of India rules if any wherever applicable.
4. Checking the requirements of the various groups with regard to budget provisions and maintaining records.

#### STANDING COMMITTEE

The Standing Committee, which is constituted by the Director, will generally perform the following:

- To review and set purchase policy on requirements of materials from time to time; to direct and coordinate the activities of purchases of various groups through CPSC and stores section.
- To open tenders/quotations to examine unserviceable stores every six months and recommend action as per rules/procedures.
- To meet periodically to make recommendations for purchase by the various groups as per procedures.
- To record the proceedings of the meeting and to make recommendations for further action by competent authority. The Sr. Supdt.(CPSC) will act as the convener of the standing committee.
- Any other terms of reference that may be given to the Standing Committee by the Director from time to time.

#### CONSTITUTION OF STANDING COMMITTEE

CHIRMAN (One of the Professors)

MEMBER (One of the Faculty) -

MEMBER (One of the Faculty) -

MEMBER (Registrar)

MEMBER (Institute Engineer)

MEMBER-SECRETARY (CoE)

CONVENOR The Sr. Supdt (CPSC)

In addition, Standing Committee may invite respective function heads whose items are in the agenda.

#### PLACING ORDERS

On approval of the proceedings of the Standing Committee by the competent authority, the Sr. Supdt (CPSC) will forward the same to the respective groups for taking further action. Each group as per their functional requirement shall prepare the financial sanction for approval by competent authority. On receipt of approval, purchase orders will be got prepared by the individual groups in the approved format signed by CoE/IE/Sr. Librarian/AR (Security & Transport)/Medical Officer as per the functional responsibilities given above.

The copy of the purchase order shall be sent to Accounts, Audit Section, CPSC and Stores Section along with copy of financial sanctions.

#### STORES SECTION

Registrar will be the custodian of all stores as delegated by the Director. He will be assisted by DR (Admn) and Sr. Supdt. (Stores).

#### STRUCTURE

The Sr. Supdt. (Stores) will be incharge of Stores and will report to DR (Admn).



## RECEIPT & ISSUE OF MATERIALS

All materials ordered by the various groups shall be received by the Sr. Supdt (Stores). All the purchases will be taken into stock by making appropriate entries in the Stock Register after certification by the individual groups. After taking items into stock, certification of the supplier's bills, as per procedure, will be made and sent to account section for making payment as per terms and conditions by the Sr. Supdt (Stores) through DR (Admn) and Registrar. The centralised Stock Register will be maintained indicating opening balance, receipt, issue and closing balance. Audit section will check the stores stock register from time to time. The items will be issued to user groups based on requisitions.

## ASSETS REGISTER

Necessary Assets Registers (including Projects) for all capital items will be maintained by the following officials:

For Equipment, Furniture & Fixtures	- Sr. Supdt. (Stores)
For Vehicles	- S (S & T)
For Books	- Sr. Librarian
For Buildings	- IE

Audit Section will periodically check these Assets Registers.

OPERATION & CONTROL OF BUDGET HEADS

The operation & control of various Budget Heads being done by various Department Heads/Section Heads will continue, except what changes have been mentioned above.